AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT	1. CONTRACT ID CODE	PAGE OF PAGES
		1 32

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
074	11/08/2010	11EM000315	

6. ISSUED BY	CODE	7. ADMINISTERED BY (If other than Item 6)	CODE
Richland Operations Office U.S. Department of Energy Richland Operations Office P.O. Box 550, MSIN A7-80 Richland WA 99352	00601	Richland Operations Office U.S. Department of Energy Richland Operations Office P.O. Box 550, MSIN A7-80 Richland WA 99352	00601

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)		
MISSION SUPPORT ALLIANCE, LLC Attn: Mr. J. Frank Armijo 2490 Garlick Boulevard RICHLAND WA 99354	(x)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	X	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC06-09RL14728
		10B. DATED (SEE ITEM 13) 04/28/2009
CODE 800095031 FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
Not Applicable

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: I-103, FAR 52.243-2 Changes - Cost Reimbursement/Mutual Agreement
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

This modification incorporates Section J-4-b, Performance Evaluation and Measurement Plan (PEMP) to reflect FY 2011 Performance Evaluation and Management Criteria. TheTable of Contents page for Section J has been changed to reflect the addition of the FY 2011 PEMP. The FY 2010 PEMP has been renumbered to Attachment J-4-a and the title has been modified to reflect the fiscal year designation. No other changes to the FY 2010 PEMP have been made.

There is no change in the total contract amount as a result of this modification. This modification does not add additional funds to the contract. Accordingly, work under the Contract, such as described herein, must be performed within the amount of funds which have been allotted to the contract in accordance with Clause I.82 - FAR 52.232.22 - Limitation of Funds (Apr 1984).

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
Elizabeth C Lugo Manager, Contract Admin		Alan E. Hopko	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED 11/23/2010	16B. UNITED STATES OF AMERICA (Signature of Contracting Officer)	16C. DATE SIGNED 11/23/10

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	By signature on this modification, the Contractor agrees to the following Contractor's Statement of Release: In consideration of this Modification 074 agreed to herein as complete equitable adjustments, the Contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such facts or circumstances giving rise to this modification. There are no other changes to the terms and conditions of the contract. Period of Performance: 04/28/2009 to 04/28/2014				

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J -- LIST OF ATTACHMENTS
TABLE OF CONTENTS

ATTACHMENT J-4-a

Mission Support Contract
FY 2010 Performance Evaluation and Measurement Plan

The Performance Evaluation and Measurement Plan (PEMP) details the administration of performance incentives and allocation of total available fee as defined in Section B, Supplies or Services and Prices/Costs.

1. PERFORMANCE MEASURES

Each performance measure will set forth the specific requirements, criteria and/or specifications for acceptable performance of an outcome and the amount of fee assigned to the individual performance measure.

2. ALLOCATION OF AVAILABLE FEE

Because the services to be determined under this contract directly support the mission contractors and because such services are integral to the environmental cleanup mission at Hanford, DOE will heavily weight the assignment of fee toward efficient and effective provision of Hanford Site services and infrastructure; right-sizing to meet the mission needs over the life cycle of Hanford cleanup; and sustained excellence and enhanced effectiveness of integrated safety, security, health, and environmental protection.

3. PERFORMANCE MEASURE FEE STRUCTURE METHODS

Each performance measure may have a distinct fee structure to incentivize maximum performance and resource utilization by the contractor. Individual performance measures may require the contractor to exceed approved baseline performance to earn 100 percent (%) of the fee allocated to that performance measure. DOE is not limited to the following list of fee structure methods and may combine elements of multiple fee structures. Regardless of the fee structure method used, payment of fee is subject to the fee reduction terms of this contract, and fee determining official (FDO) approval that the contractor has achieved the stated outcome for the specific performance measure.

(a) Straight-line Method: This method provides a 100% incremental fee for completion of the performance measure prior to the expiration of the contract period.

(b) Declining Method: This method provides 100% incremental fee for completion of the performance measure by a specific date and/or milestone, but the percentage is reduced incrementally beyond that event. The specific percentage of reduction and corresponding time or specific milestones triggering the reductions are defined within the performance measure.

(c) Terminal Method: This method provides 100% incremental fee for completion of the performance measure prior to a specific date and/or milestone; however, the contractor will forfeit 100% of the fee allocated to the performance measure for completion of the performance measure after the passing of the specific date and/or milestone as defined within the performance measure.

(d) Performance Measure Provisional Dependent Method: This method provides the contractor the opportunity to earn only provisional fee until completion of a specific milestone, a separate performance measure or multiple performance measures, upon which the fee becomes progress or final. For example, the contractor may complete performance measure 1, earn 90% of the fee as provisional, then complete performance measure 2 and earn the associated fee for performance measure 2, as well as convert the provisional fee earned for performance measure 1 to an incremental fee.

(e) Subjective Method: This method provides the contractor the opportunity to earn up to 100% fee for performance of contract requirements based on subjective criteria as determined by DOE.

(f) Target Method: This method provides for the initially negotiated fee to be adjusted later by a formula based on the relationship of performance measures against the baseline. This method specifies a target baseline performance, a target fee, minimum and maximum fees, and a fee adjustment formula. After performance, the fee payable is determined in accordance with the formula. The formula provides, within limits, for increases in fee above target fee when baseline performance is exceeded, and decreases in fee below target fee when baseline performance is not achieved. This increase or decrease is intended to provide an incentive for the contractor to manage the contract effectively.

4. The following tables summarize the contract work requirements that may become fee-bearing via performance measures.

Table 4.1, Fee Distribution Table

Performance Incentive				Maximum Available Fee Percentage
1.0	Meet First-Year Performance Commitments (20%)			
	1.1	Complete Commitments by September 2010		
		1.1a	Portfolio Analysis Center	4%
		1.1b	Redundant MSA IT Systems	4%
		1.1c	WiMax	4%
		1.1d	Emergency Telecommunications	4%
		1.1e	Protective Strategy for Interim Storage Area	4%
2.0	Productivity Improvement and Reinvestment (20%)			
	2.1	FY 2010 Savings Wedge		10%
	2.2	Multiyear Project Delivery		
		2.2a	Supporting the 2015 Vision	2%
		2.2b	Green Energy	2%
		2.2c	Hanford Road System	2%
		2.2d	Crane and Rigging	2%
		2.2e	HAMMER Training and Education Center	2%
3.0	Infrastructure Services and Alignment Plan (15%)			
	3.1	Infrastructure Services and Alignment Plan		15%
4.0	Sustain Performance Excellence (30%)			
	4.1	Sustain Performance Excellence		
		4.1a	Performance Excellence	15%
		4.1b	Portfolio Management	2.5%
		4.1c	Unclassified Cyber Security	1%
		4.1d	Contract Modification Proposals	1.5%
	4.2	Safe Operations		
		4.2a	EMS	1%
		4.2b	ISM	5%
		4.2c	Common Safety Processes	3%
		4.2d	Site-wide Programs	.5

Performance Incentive				Maximum Available Fee Percentage
		4.2e	Hanford Site Chronic Beryllium Disease Prevention Program	.5
5.0	Establish and Meet Service Level Requirements (15%)			
	5.1	Service Delivery Bases		
		5.1a	Service Delivery Plans Alignment	5%
		5.1b	Service Level Agreements Performance	10%

Table 4.2, Fee-Bearing Performance Measures

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
Fee determination and payment will be made in accordance with the Section B clause entitled Fee Determination and Payment. The completion criteria for objective measures consist of the completion of specified activities. The completion criteria for subjective measures are focused on the achievement of high-level strategies, outcomes, and envisioned end states. The evaluation of all measures will include a subjective determination regarding quality and effectiveness.						
1.0: Meet FY 2010 Performance Initiatives	Complete FY 2010 performance initiatives[1] selected by DOE in accordance with Section B, Supplies or Services and Prices/Costs, or as directed by the contracting officer.	Performance Measure 1.1: Evaluation Criteria, Complete Initiatives by September 2010 [no individual weighting]				20%
		a. Stand up a portfolio analysis center and implement the OMEGA framework, tools, and methods to assist in Hanford sitewide strategic planning and performance documentation through visualization that demonstrates actual completed work, progress milestones, issues and risk management, and regulatory progress.	• Complete development of the Integrated Hanford Life Cycle Cleanup Plan (utilizing the OMEGA framework) and installation of a portfolio analysis center by April 15, 2010. • Utilize the plan and a portfolio analysis center to support federal performance analysis and sitewide budget simulation process to visualize actual work completed, milestones achieved, issue resolution, risk management , and regulatory progress from April 15, 2010 to September 30, 2010. • Utilize Hanford Life Cycle Cleanup Plan tools to perform strategic planning for scope, schedule, and cost optimization using phased approach from October 15, 2009 to	• Demonstrated complete operational capabilities of a portfolio analysis center by September 30, 2010.	• Stood up a portfolio analysis center that supported the development of each of the following: o An Integrated Hanford Life Cycle Cleanup Plan. o A mission needs analysis that identified strategic or project integration gaps in mission execution capabilities. o A sitewide budget simulation process that analyzes the impact of changes in scope and budget. o Sitewide presentations and reports for RL, ORP, HQ, and the public. o Documents that require regulatory and stakeholder approval. o Tools and techniques for performing simulations, optimization, and visualization to support life cycle baseline planning that enables DOE to respond to dynamic and frequent changes in scope, schedule, cost, budget, contractor performance, technical direction, and regulatory requirements.	

[1] A number of the performance initiatives were derived from MSA's final proposal received on May 12, 2008.

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
			September 30, 2010. • Provide monthly status progress.			
		b. Identify and eliminate 20% of redundant MSA IT systems in the first year based on the Hanford Information System inventory; migrate data from Hanford Document Control System, Engineering Drawing Maintenance System, data tracking and accountability, and site drawing file to the new Document Management and Control System (DMCS) application, and configure DMCS to transmit engineering drawings to Integrated Document Management System (IDMS) for retention as the electronic records copy.	• Provide quarterly reports on the progress of the system elimination and the DMCS project status by January 15, April 15, July 15, and October 15, 2010.	• Reported the 20% reduction of redundant systems. • Demonstrated operations of the DMCS application. • Demonstrated operations of the IDMS-hosted engineering drawings system by September 30, 2010.	• Eliminated 20% of the redundant MSA IT systems. • Eliminated all data systems referenced in the performance measure through implementation of the DMCS. • Validated that all site drawing files were migrated to the new DMCS application, and that the DMCS was configured to transmit engineering drawings to IDMS.	
		c. Extend the WiMax capabilities to implement a scalable and distributed wireless phone/computer network system with coverage in the Central Plateau.	• Prepare and provide a WiMax implementation plan by December 31, 2009. Provide progress reports by January 15, April 15, July 15, and October 15, 2010.	• Demonstrated that there is extended WiMax coverage in the Central Plateau by September 30, 2010.	• Implemented the WiMax schedule implementation plan in the Central Plateau. • Provided 95% HLAN accessibility in the Central Plateau. • Validated the extent of WiMax coverage through propagation mapping and RL field strength testing.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		d. Implement fully redundant emergency telecommunications to the Patrol Operations Center 911, federal telephone system, and the local telephone companies to mitigate the risk identified in the telecommunications service section of the Documented Residual Risk and Plan of Action and Milestone Report, Attachment 6, Common Control System Security Plan for Richland Hanford HLAN Richland, WA.	• Provide quarterly reports on the project progress by January 15, April 15, July 15, and October 15, 2010. • Document project completion and provide a full report against the Residual Risk Plan, Attachment 6, Common Control System Security Plan. • Complete a readiness review on the redundant emergency telecommunications system, identify and disposition operational issues by September 15, 2010.	• Implemented a fully redundant emergency telecommunications system that is operational by September 30, 2010.	• Designed, fabricated, and tested a fully redundant emergency telecommunications system. • Completed a successful readiness review on the redundant emergency telecommunications system. • Identified and corrected all operational issues. • Commenced operation by the end of the fiscal year.	
		e. Deploy and demonstrate a compliant and effective protective strategy for the Interim Storage Area (ISA).	• Transmittal of the management self-assessment of safeguards and security readiness to assume operations at the ISA by September 17, 2009. • Receipt from DOE prior to September 30, 2009, approval of the ISA as a protected area. • Transmittal to DOE by May 30, 2010, of the ISA vulnerability assessment that documents the protection effectiveness offered to significant	• Completed vulnerability assessment (including JCATS and force-on-force results) and effective protection strategy for the ISA by September 30, 2010.	• Provided a vulnerability assessment on the ISA that validates that the protection effectiveness is at the high category and demonstrates compliance and effectiveness as required in DOE O 470.3B and DOE M 470.4-1 Change 1, Section C.	

<table>
<tr><th>OBJECTIVE</th><th>OUTCOMES</th><th>PERFORMANCE MEASURES</th><th>INTERIM MILESTONES
(No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)</th><th>COMPLETION CRITERIA</th><th>ACCEPTANCE CRITERIA/
EVALUATION CONSIDERATIONS</th><th>TOTAL AVAILABLE FEE</th></tr>
<tr><td></td><td></td><td></td><td>security interest located at the ISA.
• Develop a schedule documenting the preparation of the ISA vulnerability assessment will be provided to DOE SES monthly status.
• The vulnerability assessment will be provided upon completion of the action.</td><td></td><td></td><td></td></tr>
<tr><td rowspan="2">2.0: Productivity Improvement and Reinvestment</td><td rowspan="2">Implement productivity improvements to create a savings wedge to fund additional project deliveries.</td><td colspan="4">Performance Measure 2.1: Evaluation Criteria, FY 2010 Savings Wedge [no individual weighting]</td><td rowspan="2">20%</td></tr>
<tr><td>Reduce MSC's total cost by $9M during FY 2010. By implementing productivity improvements in key service areas, utilizing the contract as awarded as a base, MSA will create a savings wedge to perform additional site infrastructure and services projects per the infrastructure reliability priority project list (IRPPL) that are key to the cleanup mission while meeting requirements of Objective 5.0. MSA is responsible for total performance of Objective 2.0, including selecting the specific approaches and methods to perform these cost savings.</td><td>• Identify top service area projects that will undergo Lean Six Sigma productivity improvement processes or other cost savings initiatives that reduce FY 2010 costs by $9M for approval by DOE by December 31, 2009.
• Provide status reports on progress of project improvements and cost savings on a quarterly basis. Report will include documentation of Lean Six Sigma process improvement analysis, implementation plan of suggested projects, results of projects implemented and analysis of actual costs savings by January 15,</td><td>• Implemented cost reduction/Lean Six Sigma productivity projects to reduce total cost by $9M by September 30, 2010.
• Provided documentation demonstrating total cost reduction of $9M that is easily validated by DOE audit personnel.
• Provided documentation demonstrating that cost savings have been made available to site infrastructure and services projects.</td><td>• Identified projects and initiatives supporting cost reduction and provided documentation showing total cost reduction of $9M that was readily and successfully validated by DOE personnel.

Note: Percentage of fee earned is based on amount of cost savings achieved:

<table><tr><th>Cost Savings</th><th>Percent of Fee</th></tr><tr><td>$9M</td><td>10%</td></tr><tr><td>$8.5M</td><td>9%</td></tr><tr><td>$8M</td><td>8%</td></tr><tr><td>$7.5M</td><td>7%</td></tr><tr><td>$7M</td><td>6%</td></tr><tr><td>$6.5M</td><td>5%</td></tr><tr><td>$6M</td><td>4%</td></tr><tr><td>$5.5M</td><td>3%</td></tr><tr><td>$5M</td><td>2.5%</td></tr><tr><td>$4.5M</td><td>2%</td></tr><tr><td>$4M</td><td>1.5%</td></tr><tr><td>$3.5M</td><td>1%</td></tr><tr><td>$3M</td><td>.5%</td></tr></table></td></tr>
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OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
			April 15, July 15, and October 15, 2010.			
		Performance Measure 2.2: Evaluation Criteria, Multiyear Project Delivery [no individual weighting]				
		a. Develop feasible infrastructure and information technology (IT) projects from the IRPPL that support the 2015 Hanford Site cleanup vision and mission support risk-based strategic plans, and deliver these projects to optimize portfolio life cycle costs.	• By December 31, 2009, identify FY 2010 prioritized infrastructure and IT projects from the IRPPL that are commensurate with the ISAP. • Create a draft list of prioritized projects for FY 2011 to FY 2015, aligned with the ISAP by July 1, 2010. • Provide quarterly status reports on progress of prioritized projects by January 15, April 15, July 15, and October 15, 2010.	• Delivered infrastructure and IT projects that support the 2015 Hanford Site cleanup vision by September 30, 2010. • Apply reinvestment savings to IRPPL ready-to-implement projects within 30 calendar days of when savings are realized and reported in the quarterly status report.	• Completed infrastructure and IT projects from the IRPPL that supported the Hanford 2015 cleanup vision for the Central Plateau and River Corridor within schedule and cost.	
		b. Develop viable green energy, energy management projects, and other initiatives in response to the Secretary's initiatives and Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management, and deliver these projects to optimize portfolio energy use.	• Identify FY 2010 prioritized energy management projects and initiatives by December 31, 2009. • Identify a list of prioritized energy management projects/Initiatives for FY11 to FY15 by July 1, 2010. • Provide quarterly status reports on progress of prioritized projects by January 15, April 15, July 15, and October 15, 2010.	• Implemented FY 2010 identified energy management projects and initiatives by September 30, 2010.	• Completed FY 2010 projects and initiatives that met one or more of the goals delineated in EO 13423, Section 2, Goals for Agencies, paragraphs (a) through (h). • Completed FY 2010 identified energy management projects and initiatives per project schedules and costs.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		c. Configure and align the Hanford road system for successful completion of 2015 Hanford Site cleanup activities.	• Submit a Hanford roads project package consisting of preliminary design, project number(s), schedule, and ROM estimates in a risk-based, prioritized spreadsheet demonstrating above- and below-the-line funding allocations by March 18, 2010. • Provide quarterly Hanford roads project status reports by April 15, July 15, and October 15, 2010.	• Completed approved FY 2010 road system projects by September 30, 2010.	• Provided road system configuration decision information by March 18 that supports 2015 cleanup activities. o Developed, coordinated, and reviewed project list with other site contractors. o Provided a schedule and ROM estimates for the listed projects. o Prioritized the project list and delineated above-the-line projects. • Designed, constructed, and completed above-the-line projects as reflected in the March 18 project schedule on schedule and within cost. • Incorporated road system configuration into the ISAP.	
		d. Demonstrate improved performance of crane and rigging service delivery,	• Submit quarterly reports by January 15, April 15, July 15, and October 15, 2010.	• Demonstrated improvements in crane system and crew availability by September 30, 2010.	• Achieved 80% crane system and crew availability.	
		e. Operate the Volpentest HAMMER Training and Education Center to support training requirements for completion of ARRA work and the 2015 Hanford Site cleanup activities.	• The facilities, equipment, instructors, and training programs for required standardized training as defined in the J-3 table, are in place to provide 98% of the scheduled training sessions. • Submit quarterly reports by January 15, April 15, July 15, and October 15, 2010, documenting the status of the metric.	• Demonstrated with a statistical basis that the facility, equipment, instructors, and training programs for required standardized training, as defined in the J-3 table, are in place to provide 98% of the scheduled training sessions, excluding unforeseen weather impacts, utility and infrastructure outages, medical emergencies, cancellations due to low enrollment, or other exigent circumstances.	• Executed 98% of standardized scheduled training as defined in the J-3 table.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
3.0: Infrastructure Services and Alignment Plan	Deliver an Infrastructure Services and Alignment Plan (ISAP) that provides for a convincing and credible roadmap to achieve transformational change, and net annual and life cycle cost reductions, in performing contract requirements.	Performance Measure 3.1: Evaluation Criteria, Infrastructure Services and Alignment Plan [no individual weighting]				10%
		Deliver an ISAP that: • Establishes a framework for management, operational, technical, and safety excellence • Identifies gaps in current and future infrastructure needs and develops solutions to close these gaps, including implementation plans. • Identifies innovations to deliver on proposal and meets Statement of Work requirements with a credible schedule for successful implementation and demonstration. • Creates a forward-thinking business model for operating, maintaining, and investing that meets contract requirements and enables cost savings and reinvestments. • Implements a service delivery model that creates a scalable approach to operate and optimize infrastructure and service delivery,	• Draft framework developed and reviewed with DOE by October 29, 2009. • Identify solutions to address service level gaps by December 15, 2009. • Submit final framework to DOE by December 15, 2009. • Identify technological and performance innovations that right-size the infrastructure and services with an activity-based, logic-linked schedule for implementation by January 7, 2010. • Develop draft business model and review with DOE by January 15, 2010. • Develop required implementation plan(s) to close gaps, including opportunities for Lean Six Sigma evaluations by January 29, 2010. • Draft ISAP developed and reviewed with DOE by January 29, 2010. • Update service delivery documents (SDDs) (as required) to further define J-3 services by May 13, 2010.	• Submitted ISAP to DOE by March 1, 2010, that included the following: o Identified gaps in current and projected future infrastructure needs including strategies to close these gaps with implementation plans. o Innovations. o Business model. o Service delivery model. • Implemented service delivery model by September 30, 2010.	• Developed, maintained, and updated a master ISAP that incorporates the Hanford Site strategic vision and describes the activities necessary to integrate MSC responsibilities with those of other Hanford Site (mission) contractors, to right-size the infrastructure and services, and to maintain the capacity of infrastructure systems provided for the Hanford Site over its life cycle. • Provided tactical-level information to successfully achieve MSC outcomes while minimizing the Hanford Site's life cycle costs. • Included an approach for taking advantage of new technologies and business practices that make good business sense from a safety, compliance, cost-effectiveness and energy-efficiency perspective. • Incorporated the annual forecast of services and infrastructures of needed utilities, services and infrastructure from other site contractors. • Developed and submitted to DOE-RL a 300 Area facility disposition business case analysis for the most effective means to transfer functions and evacuate buildings 3790, 339A, 3220, 3507, 3506C, 3709A, 3709B, and three emergency sirens. • Submitted an IR/CM infrastructure scalability solution and implementation plan for DOE approval that complied with the Clinger-Cohen Act, OMB A-11, A-300 and all applicable Federal IT requirements, and was aligned with the annual Capital Investment Plan. • Identified a schedule for implementing all innovations that identifies logic-linked activities, basis of estimate-derived durations, is	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		including rapid realignment to right-size infrastructure and services.	• Develop required service level agreements by July 30, 2010. • Develop metrics to assess service delivery performance by August 27, 2010.		resource-loaded, with risks identified, and associated contingencies. • Provided cost-benefit analysis for innovations. • Provided a business model. • Completed all signed SDDs for J-3 services, including all aspects stated in the Interface Management Plan, in particular, scalable service delivery, SLAs, and capability to readily right-size infrastructure and services. • Identified and documented gaps between November 5, 2009, performance measurement baseline (PMB) and ISAP and developed a path forward strategy to bridge the gaps.	
4.0: Sustain Performance Excellence	Demonstrate management, operational, technical, and safety excellence and continuous improvement through effective planning, organization, leadership, coordination, integration, and control of the required resources, activities, and interfaces.	Performance Measure 4.1: Evaluation Criteria, Sustain Performance Excellence [no individual weighting]				30%
		a. Demonstrate performance excellence through service delivery by: • Developing solutions that provide for optimal delivery of services across the Hanford Site. • Coordinating and integrate resources, activities, and interfaces to maximize benefit to the Hanford Site. • Controlling scope, schedule, cost, quality, and risk to manage	• Review and provide updated performance metrics/service levels in each of the five (5) functional areas used to evaluate performance of services delivered and the physical condition of infrastructure and utilities, including systems and equipment necessary for the life cycle of Hanford cleanup by April 15, 2010.[2] • Develop the MSA parent organization customer survey that addresses each component of 4.1a-d as it relates to the desired outcomes by January 31,	• Developed updated performance metrics by April 15, 2010. • Met 95% of established performance goals from MSA parent organization survey improvement plan on time by September 30, 2010. • Passed an RL independent review by October 15, 2010.	• Developed updated performance metrics/ service levels in each of the five functional areas and the mission support general performance requirements used to evaluate performance of services delivered and the physical condition of infrastructure and utilities, including systems and equipment necessary for the life cycle of Hanford cleanup. These metrics addressed requirements necessary for safe, compliant, cost-effective, and energy-efficient operations. • Passed an RL independent assessment to determine the sufficiency of MSA parent survey and MSA performance metrics. The RL assessment was conducted to verify the extent to which MSA accomplished the following: o Documented the performance measurement system (e.g., performance metrics, service level metrics, and safety	

[2] Initial set of metrics was provided in a letter from MSA dated October 15, 2009.

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		infrastructure and service delivery. • Maintaining relationships with DOE, customers, and stakeholders based on open, honest, and effective communication.	2010. • Document, analyze, and publish the results of the MSA parent organization survey; develop an improvement plan for areas of lower than desired response; and establish performance goals by April 15, 2010. • Measure against performance goals and report on a quarterly basis by July 15 and October 15, 2010. • Submit a quarterly report that details the Lean Six Sigma quality events, training and staff improvement measures, outreach and communications efforts, service delivery aspects, and coordination activities by January 15, April 15, July 15, and October 15, 2010.		metrics), baseline performance data, and operational performance that demonstrated management, operational, technical, and safety excellence. o Reported an analysis of performance, improvement targets, and strategies. o Reported performance trend data. o Documented achievement of performance metrics along with associated performance goals. • Demonstrated effective communications through DOE customer feedback of DOE, customers, and stakeholders.	
		b. Provide timely and quality products to DOE under Portfolio Management.	• Develop performance metrics and establish performance goals for Portfolio Management by December 31, 2009. • Review Portfolio Management performance monthly with DOE.	• Met requirements of task orders from December 31, 2009 to September 30, 2010. • Met established performance goals by September 30, 2010.	• Provided timely and quality products per task order in areas such as value engineering studies, project management, project controls, cost estimating and scheduling, ESH&Q compliance, verification of cleanup and radiological clearance, and conducted independent analysis and generated technical assessment reports. Met 95% of performance goals established between DOE and MSA in Portfolio Management.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		c. Evaluate and affirm effective unclassified cyber security performance metrics.	• Outline the key cyber security metrics for FY 2010 by December 15, 2009. • Conduct management self-assessment to ensure cyber security metrics are effective and meet requirements by February 28, 2010. • Provided a briefing on the results of the management self-assessment and improvement actions by March 15, 2010. • Provide quarterly reports against FY 2010 cyber security metrics by April 15, July 15, and October 15, 2010.	• Established effective cyber security performance metrics.	• Established key cyber security metrics. • Provided briefing and documentation of improvement actions. • Provided quarterly reports including trend data, demonstrating performance against the established metrics. • Developed performance metrics that reflected the requirements of the Program Cyber Security Plan.	
		d. Develop the internal capability to deliver future contract modification proposals within the agreed upon contract modification schedule.		• Provided a logic linked schedule by August 15, 2010 that was reviewed and accepted by DOE that provides for submission of all currently identified contract modifications/proposals by July 31, 2011. • By September 30, 2010, all contract modification proposals due in FY2010 have been delivered and met quality standards identified in the contract and FAR.	• Demonstrated success in delivering FY2010 contract modification proposals on schedule and in accordance with the contract and FAR requirements. • Demonstrated success in developing the internal capability to deliver the currently identified contract modification proposals within the agreed upon schedule. Provided a logic linked schedule that was reviewed and accepted by DOE based on a review of MSA's internal procedures, personnel, training and systems to be a realistic and achievable approach for completing all identified contract modification proposals by July 2011.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		Performance Measure 4.2: Evaluation Criteria, Safe Operations [individual weighting]				
		a. Accelerate the development of the MSA Environmental Management System (EMS) with external audit and conformance declaration in accordance with DOE O 450.1A.	• Conduct external audit by December 15, 2009.	• Provided MSA EMS conformance declaration to RL by December 31, 2009.	• Provided accelerated declaration that provided evidence of compliance with DOE O 450.1A. • Successfully passed independent verification of MSA EMS compliance with DOE Order.	
		b. Declare Phase I/Phase II readiness leading to DOE approval of MSA's ISM system. Note: Fee will be considered provisional fee that is paid contingently and may be determined to be earned fee upon DOE's final verification of Phase II of MSA's ISM system. Determination of earned fee will be completed by December 15, 2010.	• Complete corporate review of Phase I readiness by February 6, 2010. • Complete corporate review of Phase I/Phase II readiness by July 31, 2010.	• Declared Phase I/Phase II ISMS readiness by September 30, 2010, leading to successful verification of MSA's ISM system.	• Provided timely declaration that demonstrated evidence of successful independent verification of MSA's ISM system in accordance DOE M 450.4-1. • Successfully passed DOE's final verification of MSA ISM system.	
		c. Develop 13 of the 14 required standardized training and/or common safety processes established in Section C, Table C.2.1.2-1 and described in Section C, C.2.1.5 by September	• Develop a strategy to accelerate the standardized training and common safety processes by December 15, 2009. • Track and report progress and status monthly. • In collaboration with other	• Developed 13 of the 14 or all 14 required standardized training and common safety processes in Section C, Table C.2.1.2-1: Stop Work, Excavation, CDBPP, Respiratory Protection, Fall Protection, IH Database, Hazard	• Developed 13 of the 14 or all 14 required standardized training and/or common safety processes consistent with applicable DOE orders, regulations, and site-driven requirements. • Completed development of training materials for those processes in Section C, Table C.2.1.2-1 that required standardized training.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		30, 2010. Note: Can earn 1% fee based on developing 13 of the standardized training and common safety processes and additional 2% fee for developing all 14 standardized safety processes for a maximum of 3% fee.	Hanford contractors, propose the next standardized sitewide safety processes by March 31, 2010.	Chemical Reporting, Electrical Safety, Confined Space Entry, Hoisting and Rigging, and Lock Out/Tag Out. • Completed development of training materials, and made training available for the following: CDBPP, Respiratory Protection, Fall Protection, Electrical Safety, Confined Space Entry, Hoisting and Rigging, Lock Out/Tag Out, HAZWOPER, Rad Safety, and HGET	• Made training available to site contractors for those processes in Section C, Table C.2.1.2-1 that required standardized training.	
		d. Develop an integrated master schedule for multiple site-wide programs implementation with the other Hanford site contractors. Revise the Site Wide Safety Program Plan (MSC-MP-41080) to include a section on implementation that will describe the process and activities used to develop individual integrated safety program implementation plans within 30 days of receipt of individual	• Produce an Integrated Master Schedule by August 15, 2010	• Submit to DOE a completed Integrated Master Schedule by August 15, 2010. • Submit the contractor-approved revised Site Wide Safety Program Plan (MSC-MP-41080) to DOE by September 30, 2010. • Provide to DOE the Milestone Tracking Process and format that will be used to status DOE and the SMT on program implementation on a monthly basis, by September 30, 2010.	• Included the first issuance of the master schedule with the following Site Wide Programs: fall protection, electrical, respiratory protection, IH exposure records, hazardous chemicals, and confined space. • Obtained approvals of the affected Hanford contractors for the revised Site Wide Safety Program Plan.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		contractors' implementation plans. Obtain the approval of the OHC on the revised plan. Establish a milestone tracking system for each individual safety program plan and obtain and provide monthly updates of each contractor's status and assist DOE in implementation solutions. Within 45 days of the development of each individual integrated safety program plan, begin reporting the status of each contractor's milestones to DOE and the SMT				
		e. Implementation plan and procedures supporting Federal oversight and health advocate functions, and an integrated Corrective Action Plan (CAP) and tracking system of the Hanford Site Chronic			• Successfully passed an MSA readiness review with oversight by DOE to implement the beryllium oversight and health advocate functions.	

OBJECTIVE	OUTCOMES	PERFORMANCE MEASURES	INTERIM MILESTONES (No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)	COMPLETION CRITERIA	ACCEPTANCE CRITERIA/ EVALUATION CONSIDERATIONS	TOTAL AVAILABLE FEE
		Beryllium Disease Prevention Program (CBDPP).				
5.0: Establish and Meet Service Level Requirements	Develop and implement an approach that proactively identifies customer service delivery needs and delivers the right service to the right place at the right time, avoiding costs to the customer due to inadequate service delivery and demonstrates customer satisfaction.	Performance Measure 5.1: Evaluation Criteria, Service Delivery Bases [no individual weighting]				20%
		a. Align MSA service delivery to customer key milestones.	• Provide quarterly reports on the progress of this incentive by January 15, April 15, July 15, and October 15, 2010.	• Implemented an approach that proactively identified customer key milestones and requirements by December 15, 2009. • Reported issues, process improvements and lessons learned for activities through September 30, 2010.	• Provided documentation quarterly that service delivery supported customer key milestones. • Provided documentation for issue resolutions and process improvements.	
		b. Complete all service level agreements (SLAs) identified in the service delivery documents (SDDs) and provide excellent customer satisfaction, and update the Hanford Site Services Requirements Matrix (J-3) with written concurrence of all prime contractors.	• Document historical service level performance for all service level delivery where data exists by March 31, 2010. • Develop a draft survey to assess the MSA service delivery model and review with DOE by December 15, 2009. • Develop a final customer satisfaction survey and process by January 1, 2010. • Establish a customer satisfaction baseline for evaluating and measuring survey baseline results by April 15, 2010. • Provide quarterly reports against service level metrics, SLAs, and	• Provided historical service level performance for all service level delivery and completed all SLAs by May 31, 2010, and achieved SLA performance criteria on all SLAs by September 30, 2010. • Provided a signed Hanford Site Services Requirements Matrix in accordance with Clause H.44(h) by February 28, 2010. • Conducted surveys and demonstrated improvement over the customer satisfaction baseline by September 30, 2010.	• Documented timely completion of SLAs. • Demonstrated effectiveness of the SLAs as validated by Hanford Site customers and alignment of SLAs to customers' changing needs over time. • Achieved all SLA performance criteria as documented in periodic reports and validated by Hanford Site customers. • Updated J-3 matrix supported by rationale for changes, reflecting concurrence of all prime contractors. • Measured customer satisfaction of Hanford clients, documented analysis of customer satisfaction, identified opportunities for improvement, and achieved improvements in customer satisfaction.	

<table>
<tr><th>OBJECTIVE</th><th>OUTCOMES</th><th>PERFORMANCE MEASURES</th><th>INTERIM MILESTONES
(No fee will be paid for achievement of interim milestones; fee is dependent upon completion and acceptance criteria)</th><th>COMPLETION CRITERIA</th><th>ACCEPTANCE CRITERIA/
EVALUATION CONSIDERATIONS</th><th>TOTAL AVAILABLE FEE</th></tr>
<tr><td></td><td></td><td></td><td>customer surveys by April 15, July 15, and October 15, 2010.</td><td></td><td>Note: The table below shows the desired improvements relative to the baseline rating.
<table><tr><th colspan="2">Customer Survey Improvement Goals</th></tr><tr><th>Baseline Rating</th><th>Improvement Goal</th></tr><tr><td>< 2.0</td><td>Improve by 25%</td></tr><tr><td>2.0 – 2.5</td><td>Improve by 20%</td></tr><tr><td>2.51 – 3.0</td><td>Improve by 15%</td></tr><tr><td>3.01 – 3.5</td><td>Improve by 10%</td></tr><tr><td>3.51 – 4.0</td><td>Improve by 5%</td></tr><tr><td>4.01 – 4.5</td><td>Maintain rating</td></tr></table></td><td></td></tr>
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ATTACHMENT J-4-b

Mission Support Contract
FY 2011 Performance Evaluation and Measurement Plan

The Performance Evaluation and Measurement Plan (PEMP) details the administration of performance incentives and allocation of total available fee as defined in Section B, Supplies or Services and Prices/Costs.

1. PERFORMANCE INCENTIVES

Each performance incentive will set forth the specific requirements, criteria and/or specifications for acceptable performance of an outcome and the amount of fee assigned to the individual performance incentive.

2. ALLOCATION OF AVAILABLE FEE

Because the services to be determined under this contract directly support the mission contractors, and because such services are integral to the environmental cleanup mission at Hanford, DOE will heavily weight the assignment of fee toward the following strategic objectives of the contract:

a. Site Integration

Success of the site integration function in the MSC is key to the Hanford mission. As such, there are opportunities that can be leveraged, such as sitewide ISMS, sitewide business systems, common safety procedures, centralized, standardized emergency management response, etc. The objective is for MSA to provide leadership to the Hanford Site contractors to take advantage of opportunities for site integration at a level that was heretofore not feasible. The key strategic outcomes include:

- The consistent application of ESH&Q approach to improve worker safety
- Assurance that work is aligned with the appropriate contracts (confirm that J-3 table is assigned appropriately among contractors)
- The realization of efficiencies through consolidation and integration

b. Enable Site Cleanup

Enable mission contractors to achieve their cleanup mission by aligning (right-sizing/optimizing) and providing site utilities, infrastructure, and services at the levels required. The key strategic outcomes include:

- Enabling site contractors to achieve quality, timeliness, and cost of site cleanup
- Delivering timely service that supports customer key milestones and regulatory commitments

c. Safety and Security

In the execution of the MSC scope, it is vital to ensure that work control and planning utilize the guiding principles and core functions of the integrated safety management system (ISMS), demonstrate continuous improvement safety culture to affect transformational changes to overall safety management programs, and effectively implement corrective actions to prevent or reduce reoccurring events (as well as declining MSA or MSA subcontractor-caused DART/TRC rate or radiological event from the FY10). It is also important to have an effective contractor assurance system in place that proactively identifies performance issues through monitoring and analysis of leading indicators.

d. Site Stewardship

Provide sitewide, integrated stewardship for the Hanford Site:

- Ensure centralized planning for land use on the Hanford Site in the most effective and efficient way for the Government
- Implement energy initiatives and conservation measures in support of the Executive Orders
- Develop systems and procedures for transferring land into the Interim Transition and Long-term Stewardship Program from cleanup contractors once cleanup is complete

3. PERFORMANCE INCENTIVES MEASUREMENT TYPES

Each performance incentive may have a distinct fee structure to incentivize maximum performance and resource utilization by the contractor. Individual performance incentives may require the contractor to exceed approved baseline performance to earn 100% of the fee allocated to that performance incentive. DOE is not limited to the following list of fee structure methods and may combine elements of multiple fee structures. Regardless of the fee structure method used, payment of fee is subject to the fee reduction terms of this contract, and fee determining official (FDO) approval that the contractor has achieved the stated outcome for the specific performance incentive.

a. Straight-line Method: This method provides a 100% incremental fee for completion of the performance incentive prior to the expiration of the contract period.

b. Declining Method: This method provides 100% incremental fee for completion of the performance incentive by a specific date and/or milestone, but the percentage is reduced incrementally beyond that event. The specific percentage of reduction and corresponding time or specific milestones triggering the reductions are defined within the performance incentive.

c. Terminal Method: This method provides 100% incremental fee for completion of the performance incentive prior to a specific date and/or milestone; however, the contractor will forfeit 100% of the fee allocated to the performance incentive for completion of the performance incentive after the passing of the specific date and/or milestone as defined within the performance incentive.

d. Performance Incentive Provisional Dependent Method: This method provides the contractor the opportunity to earn only provisional fee until completion of a specific milestone, a separate performance incentive or multiple performance incentives, upon which the fee becomes progress or final. For example, the contractor may complete performance incentive 1, earn 90% of the fee as provisional, then complete performance incentive 2 and earn the associated fee for performance incentive 2, as well as convert the provisional fee earned for performance incentive 1 to an incremental fee.

e. Subjective Method: DOE will evaluate the subjective performance incentive in accordance with the table below. Additionally, the evaluation of all incentives will include a subjective determination regarding quality and effectiveness.

Table 3.1, Performance Incentive Ratings and Definitions

Adjectival Rating	Definition	Percentage of Fee Earned
Excellent	Contractor has exceeded almost all of the completion criteria in the subjective performance incentive, including overall cost, schedule, and technical performance requirements of the contract for this evaluation period. Contractor's work is highly professional. Contractor solves problems with very little, if any, Government involvement. Contractor is proactive and takes an aggressive approach in identifying problems and their resolution, including those identified in the risk management process, with a substantial emphasis on performing quality work in a safe manner within cost/schedule requirements. No significant re-work.	91% to 100%
Very Good	Contractor has exceeded many of the completion criteria in the subjective performance incentive, including overall cost, schedule, and technical performance requirements of the contract for this evaluation period. Contractor solves problems with minimal Government involvement. Contractor is usually proactive and demonstrates an aggressive approach in identifying problems and their resolution, including those identified in the risk management process, with an emphasis on performing quality work in a safe manner within cost/schedule requirements. Problems are usually self-identified and resolution is self-initiated. Some limited, low-impact rework within normal expectations.	76% to 90%
Good	Contractor has exceeded some of the completion criteria in the subjective performance incentive, including overall cost, schedule, and technical performance requirements of the contract for this evaluation period. Contractor is able to solve basic problems with adequate emphasis on performing quality work in a safe manner within cost/schedule objectives. The rating within this range will be determined by level of necessary Government involvement in problem resolution, including those problems identified in the risk management process, and extent to which the performance problem is self-identified vs. Government-identified. Some re-work required that unfavorably impacted cost and/or schedule.	51% to 75%
Satisfactory	Contractor has met overall cost, schedule, and technical performance requirements of the contract for this evaluation period. Contractor has some difficulty solving basic problems, and cost, schedule, safety, and technical performance needs improvement to avoid further performance risk. Government involvement in problem resolution, including those problems identified in the risk management process, is necessary. Excessive rework required that unfavorably impacted cost and/or schedule.	$\leq$ 50%
Unsatisfactory	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract for this evaluation period. Contractor does not demonstrate an emphasis on performing quality work in a safe manner within cost/schedule objectives. Contractor is unable to solve problems and Government involvement in problem resolution, including those problems identified in the risk management process, is necessary. Excessive rework required that had significant unfavorable impact on cost and/or schedule.	0%

f. Target Method: This method provides for the initially negotiated fee to be adjusted later by a formula based on the relationship of performance incentives against the baseline. This method specifies a target baseline performance, a target fee, minimum and maximum fees, and a fee adjustment formula. After performance, the fee payable is determined in accordance with the formula. The formula provides, within limits, for increases in fee above target fee when baseline performance is exceeded, and decreases in fee below target fee when baseline performance is not achieved. This increase or decrease is intended to provide an incentive for the contractor to manage the contract effectively.

4. PERFORMANCE INCENTIVE FEE CALCULATION METHODOLOGY

Table 4.1, Fee Calculation Methodology - Objective Performance Incentive

		(a)	(b)	(c)
Strategic Area	Strategic Objective (abbreviated)	Percent Fee Allocation	Fraction of Fee Earned	Total (a) x (b)
1.0a: Site Integration	Integrated sitewide business safety and service functions.	8%		
1.0b: Site Integration	An integrated sitewide safety program.	5%		
1.0c: Site Integration	Accelerated cleanup and reduced life cycle costs.	6%		
2.0a: Enable Site Cleanup	A reduced EM footprint – ISAP (IR/CM).	8%		
2.0b: Enable Site Cleanup	A reduced EM footprint – ISAP (SI&U).	8%		
2.0c: Enable Site Cleanup	Satisfied cleanup contractors.	15%		
2.0d: Enable Site Cleanup	Trained workforce.	2%		
3.0a: Safety and Security	Robust security, fire and emergency preparedness.	6%		
3.0b: Safety and Security	An effective cyber security system.	2%		
4.0a: Site Stewardship	An enhanced environmental compliance program, completed CERCLA five-year review, and compliant energy-saving initiatives.	8%		
4.0b: Site Stewardship	Comprehensive and compliant land use planning.	2%		
Sum Totals:		70%		(d)
Maximum Fee Allocation (Total Fee Available X 70%): $17,729,239.00				
Total Fee Earned = Maximum Fee Allocation x Sum Total (d): $xxxxx				

Table 4.2, Fee Calculation Methodology - Subjective Performance Incentive

	(a)	(b)	(c)	(d)
Strategic Area	Weighting	Adjectival Rating (from Table 3.1)	Percentage of Fee Earned	Total (a) x (c)
Cost Savings	25%			
Contract Change Administration				
Performance Excellence and Continuous Improvement				
Site Safety Management	5%			
Sum Totals:	30%			(e)
Maximum Fee Allocation (Total Fee Available X 30%): $7,598,245.00				
Total Fee Earned = Maximum Fee Allocation x Sum Total (e): $xxxxx				

Table 4.3, Total Fee Calculation

Incentive Types	Total Fee Earned
Objective Total (from Table 4.1)	(a)
Subjective Total (from Table 4.2)	(b)
Total = (a) + (b)	

a. Objective Performance Incentives

For the purpose of fee evaluation, savings achieved as a result of innovations implemented in objective PIs will be considered for cost savings in the subjective PIs.

Table 4.4, Objective Performance Incentives

STRATEGIC AREA	STRATEGIC OBJECTIVES	ANNUAL/MULTIYEAR INCENTIVES	FY11 COMPLETION CRITERIA
Fee determination and payment will be made in accordance with the Section B clause entitled Fee Determination and Payment. The completion criteria for objective incentives consist of the completion of specified activities. The completion criteria for subjective incentives are focused on the achievement of high-level strategies, outcomes, and envisioned end states. The evaluation of all incentives will include a subjective determination regarding quality and effectiveness.			
1.0a: Site Integration EM Goal #6	Integrated sitewide business, safety, and service functions that support the Hanford vision.	Identify opportunities for sitewide integration and collaborate with other Hanford contractors to implement solutions.	• By January 31, 2011, in collaboration with other Hanford contractors, propose for DOE's approval four opportunities for integration and implementation. • By September 30, 2011, implement at least two of the DOE-approved opportunities.
1.0b: Site Integration EM Goal #5	An integrated sitewide safety program.	Develop FY11 standardized safety processes and associated training programs.	• By June 30, 2011, deploy a fully operational sitewide employee job task analysis process and an operational industrial hygiene database, including migration of historical data and links to IH equipment services, weather station, and Waste Sampling Characterization Facility (WSCF). • By September 30, 2011, develop FY11 standardized safety processes and training for scaffold erection and heat and cold stress monitoring. • By September 30, 2011, implement the following FY10 standards: fall protection, respiratory protection, Emergency Planning and Community Right to Know Act hazardous chemical reporting, confined space and electrical safety.
1.0c: Site Integration EM Goal #4	Accelerated schedule for sitewide cleanup and reduced life cycle costs.	Develop a strategy for accelerating the schedule for cleanup of the Hanford Site utilizing a sitewide life cycle baseline that reduces the life cycle costs.	Optimization of Hanford sitewide life cycle: • By May 1, 2011, develop a sitewide life cycle baseline at target cost, and a fully integrated, sitewide, logic-linked planning case. • By September 30, 2011, demonstrate ability to run major planning cases through the production of the life cycle scope, schedule, and cost report. • Identify and analyze four fundamental technical improvements in the sitewide life cycle baseline: - Submit the four cases to DOE for their review. - Submit a preliminary assessment to DOE of the four cases and demonstrate which ones are to be fully evaluated. - Provide a draft baseline change proposal for each of the cases recommended for complete analysis. - By September 30, 2011, provide DOE with the final baseline change proposals for each of the four improvement areas. Complete an accurate Hanford Site physical configuration: • By April 1, 2011, provide a comprehensive inventory of all structures, wells, barriers, waste sites, and other cleanup objects, and identify attributes (size, location, ownership, life cycle status, etc.) based on available data. • By July 1, 2011, complete an alternatives analysis, where needed, to fully populate the attributes identified based on available data. • By July 1, 2011, perform and document a gap analysis between the existing data quality and the required data quality for all required attributes. Submit a fully coordinated plan, including cost estimate and resource-loaded schedule reflecting all actions necessary to implement improvement initiatives identified in the gap analysis. • By September 30, 2011, provide documented change procedures for authoritative data sources for all required attributes. Where the data sources are within the control of the MSA, the change procedures shall be written and implemented. Where data sources are not within the control of the MSA, perform and provide an assessment of the subject contractor's change procedures.
2.0a: Enable Site Cleanup EM Goal #3	A reduced EM footprint.	Implement the Infrastructure and Services Alignment Plan (ISAP) to shrink the cleanup footprint and meet mission needs – Information Resources/Content Management.	• By December 31, 2010, complete a thin client pilot. • By January 31, 2011, if pilot is successful, establish a thin client alternative for the HLAN standard desktop. • By September 30, 2011, procure and replace a minimum of 30% of standard desktops (not including laptops or special purpose desktops) within MSA that are due for a "refresh," using the thin client standard. • By April 30, 2011, establish a pilot SharePoint or similar environment for collaboration with non-HLAN-based entities. • By July 30, 2011, complete an engineering solution for all special circuits associated with the 5ESS phone switch. • By August 31, 2011, establish a Hanford Site node for participation on the EPA National Environmental Exchange Network, water quality exchange (WQX). • By September 30, 2011, complete the following: - Eliminate 20% of the identified MSA redundant information systems (of those remaining following the completion of the FY10 PI on redundant systems). - Implement VoIP and remove all analog and ISDN telephone services from the 5ESS phone switch, excluding special circuits. - Digitize and index as electronic record the GE photo collection and transfer hard copy to NARA.
2.0b: Enable Site Cleanup EM Goal #3	A reduced EM footprint.	Implement the Infrastructure and Services Alignment Plan (ISAP) to shrink the cleanup footprint and meet mission needs – Site Infrastructure and Utilities.	• By January 31, 2011, identify and submit a list of inactive, charged water lines prioritized by environmental risk, and a schedule for removal. • By September 30, 2011, based on DOE approval, eliminate at least four inactive, charged water system lines that are no longer required to support the site mission.

STRATEGIC AREA	STRATEGIC OBJECTIVES	ANNUAL/MULTIYEAR INCENTIVES	FY11 COMPLETION CRITERIA
			• By September 30, 2011, implement all FY11 activities of the MSA-developed WSCF "best in class" plan as approved and funded by RL. • By September 30, 2011, complete FY11 construction activities for project L-691, Construct Sewer Lagoon in 200 West, in accordance with the project schedule.* • By September 30, 2011, refurbish the reservoir for project L-311, 200 West Area Raw Water Reservoir, in accordance with the project schedule,* and ensure full operational capability. *Note: Project schedule is based on the October 25, 2010 baseline submittal as approved by DOE.
2.0c: Enable Site Cleanup EM Goal #6	Satisfied cleanup contractors.	Deliver services effectively and efficiently at the level required by mission contractors.	Note: DOE will conduct periodic assessments of customer satisfaction in areas such as service level agreements, 90-day look-aheads, service desk performance, customer client surveys, and support provided to DOE organizations and other Hanford Site contractors. • By July 31, 2011, develop and deliver forecast of service level requirements for out-years. Demonstrate that MSA worked closely with the other Hanford contractors to develop a credible sitewide process, including quarterly reviews of planned vs. actual usage, to incentivize providing accurate contractor estimates. Demonstrate improvements in forecast of service level requirements over FY10 forecasts. • By September 30, 2011, receive an overall satisfaction rating of 4.3 or higher out of 5.0 on overall customer satisfaction ratings (service catalog requests). • Utilize monthly project review with customers to confirm deliverables in a 90-day look-ahead, and demonstrate that 90% of key customer deliverables were met on a quarterly basis. • By September 30, 2011, document five cases where MSA provided exceptional service in response to customer needs beyond normal day-to-day operational service levels to support other Hanford contractors' major projects/milestones/performance incentive goals. • By September 30, 2011, meet or exceed the performance target contained in each service level agreement on an average annual basis.
2.0d: Enable Site Cleanup EM Goal #7	Trained workforce.	Support the training requirements of the Hanford contractors to successfully complete the ARRA workscope and the 2015 Hanford Site cleanup vision.	• Provide facility, equipment, instructors, and training programs for the standardized safety training identified in the J-3 table in order to meet 95% of the scheduled training sessions, excluding unforeseen impacts (i.e., weather, power outages, emergencies, low enrollment cancellations).
3.0a: Safety and Security EM Goal #5	Robust security, fire and emergency preparedness for the Hanford Site that assures personnel, information, and physical security and safety; and material control and accountability.	Implement a protection strategy at the Interim Storage Area (ISA) that reduces annual costs while maintaining high protection effectiveness.	By September 30, 2011, complete the following: • Document and implement an updated protection strategy at the ISA that further optimizes costs and risk while maintaining a high protection effectiveness. • Update Security Incident Response Plan and update Hanford Patrol post orders (procedures). • Conduct force-on-force exercises (including at least one validation exercise) that demonstrate an effective protection strategy.
3.0b: Safety and Security EM Goal #7	An effective cyber security system.	Implement proactive cyber security measures to include monitoring logs, penetration testing, vulnerability scanning, and configuration management in accordance with the Program Cyber Security Plan/Program Security Plan.	• By December 31, 2010, implement a penetration testing program for unclassified cyber security that ensures regularly scheduled penetration testing is conducted. • By September 30, 2011, on HLAN applications managed by MSA, demonstrate a reduction in the turnaround time during FY11 between the vendor patch being available and it being patched to standard workstations within five working days or less 95% of the time. For servers, complete the patches within 14 working days of the patch being available from the vendor.
4.0a: Site Stewardship EM Goal #7	An enhanced environmental compliance program, completed CERCLA five-year review, and compliant energy-saving initiatives.	Create a program to establish baselines for RL and ORP workscope and monitor progress toward environmental goals as stated in EOs 13514 and 13423. Finalize the CERCLA five-year review report for submission to EPA. Develop viable green energy, energy management projects, and other initiatives in response to the Secretary's initiatives and Contractor Requirements Document 430.2B, and EO 13423, and deliver these projects to minimize energy use.	• By September 30, 2011, initiate actions and establish baselines in accordance with EOs 13514 and 13423. • By May 1, 2011, submit the draft CERCLA five-year review report to RL for submission to EPA and Ecology, and for posting on the website for public review. • By September 30, 2011, coordinate with regulatory agencies, assist in comment resolution from the public, and submit the final CERCLA five-year review report. • By October 31, 2010, provide a final list of prioritized energy management projects and initiatives that will be completed in FY11. • By July 1, 2011, identify a list of prioritized energy management projects/Initiatives for FY12 to FY16. • By September 30, 2011, implement FY11 identified energy management projects/initiatives and provide quarterly status reports on progress.
4.0b: Site Stewardship EM Goal #3	Comprehensive and compliant land use planning.	Provide a sitewide, integrated approach to effectively utilize and transition land to interim surveillance and maintenance and to Long-term Stewardship (LTS) Program, enabling the future of the Hanford vision and community progress.	• Prior to acceptance of any parcels into LTS, successfully pass an RL-conducted operational readiness review to include a review of the LTS transition procedure, checklist, and acceptance criteria. • By July 30, 2011, submit a final Central Plateau Area Management Plan that has been coordinated with other Hanford contractors, to include future land use, such as construction of new office buildings. • By September 30, 2011, demonstrate the capability to conduct surveillance and maintenance, maintain institutional controls, and protect resources for parcel(s) of land transitioned to LTS from the cleanup contractors.

b. Subjective Performance Incentives

The subjective performance incentives are a performance measurement tool to assess the Mission Support Alliance's (MSA) performance and provide impetus for continuous improvement in important contract areas not covered by the objective incentives. The objective is to ensure that innovations and efficiencies are realized, and that performance excellence and continuous improvements are demonstrated and contribute favorably to safe, compliant, high-quality work performance that supports the cost, schedule, and quality goals of the MSC.

Cost Savings

- Provide a realistic budget target for FY11, and perform to this target.
- Identify cost savings through implementing innovations and efficiencies throughout the Hanford Site.
- Generate and demonstrate cost savings that result in efficiencies for DOE, MSA, and other Hanford contractors, and provide quarterly progress reports.
- Reinvest MSA savings in unfunded prioritized reliability projects (beginning with completely removing chlorine gas from the 283W water treatment plant) or reflect as a reduction in the performance measurement baseline.
- Implement proposed innovations, ideas, improvements, and other efficiencies, including, but not limited to, those in MSA's proposal, to fulfill the MSA commitment to reduce cost of services over the life of the contract. The performance measurement baseline (PMB) should incorporate these innovations, ideas, improvements, and other efficiencies. To provide full flexibility in approach, where proposed initiatives are not feasible, demonstrate why these approaches are no longer viable and take timely actions to achieve the reduction in the cost of services.

Contract Change Administration

- Submit timely, accurate, and complete change order proposals or requests for equitable adjustment proposals that meet all FAR requirements, including compliance with the formatting requirements in FAR 15.408, Table 15-2.
- Upon definitization of contract changes, utilize the internal change control process to incorporate into the PMB.
- Work with DOE in a spirit of cooperation during the negotiation process, including timely submission of requests for additional data, timely counteroffers, and conveying a positive and professional attitude to achieve fair and timely settlement of change order proposals or requests for equitable adjustment.

Performance Excellence and Continuous Improvement

- Identify issues early on that could lead to schedule delay and cost overrun and prompt resolution through proactive risk and issue management processes.

- Deliver an improved ISAP that establishes a framework for management, operational, technical, and safety excellence; identifies gaps in current and future infrastructure needs and develops solutions to close these gaps, including implementation plans; identifies innovations to deliver on proposal and meets Statement of Work requirements with a credible schedule for successful implementation and demonstration; and creates a scalable approach to operate and optimize infrastructure and service delivery, including rapid realignment to right-size infrastructure and services.
- As an integral part of the ISAP, implement a prioritized project list that includes PBS 20, 40, as well as projects funded by sitewide services and other contractors (i.e., operation and maintenance, energy initiatives, reliability projects, etc.) for the contract scope of work that reflects mission needs, compliance, risks, footprint reduction, and life cycle cost reduction.
- Perform accurate and timely spend forecast for effective funds management and scope adjustment, if warranted, using the integrated priority list.
- Measure overall performance under the contract via the use of a comprehensive performance measurement system.
- Operate in a manner conducive to excellence and quality by delivering services across the Hanford Site; coordinating and integrating resources, activities, and interfaces; and maintaining relationships with DOE, customers, and stakeholders based on open, honest, and effective communication.
- Provide leadership to improve management effectiveness, collaborate and participate proactively with customers, value workers, and provide a supportive environment.
- Comply with federal and departmental acquisition regulations, procedures, and guidance (including contract change proposal timeliness and quality pursuant to DOE Policy Flash 2008-39, dated April 25, 2008).
- Comply with contract requirements not covered by other performance incentives.
- Integrate and coordinate all activities required to execute the contract with other Hanford contractors, specifically the timeliness, completeness, and quality of problem identification; and corrective action plans.
- Demonstrate operational excellence in business and financial management by fulfilling contractual obligations in a fiscally responsible manner to include, but not limited to, the use of approved purchasing, estimating, accounting, property, budget, planning, billing, labor, and accounting systems; and the contractor's management of government property.
- Develop and implement a model contractor assurance system (CAS) that proactively identifies performance issues through development and analysis of leading indicators, including development and implementation of a CAS improvement plan for all scope elements identified in DOE Order 226.1 (ESH&Q, Emergency Management, and Safeguards and Security); and deliver an annual report showing documented monthly trends in CAS indicators and representing improvement over the baseline established in FY10. Make this comprehensive CAS/leading indicators approach available as a “best practice” ISM model for the Hanford Site and EM complex for the safe execution of EM’s Journey to Excellence goal #5

(improve safety and quality performance towards a goal of zero accidents, incidents, and defects). This CAS shall accomplish the following:

- Incorporate internal and external lessons learned on CASs and leading indicators to improve work planning and work control activities.
- Identify recurring and emerging trends.
- Develop and monitor performance indicators with a goal of achieving safety performance improvement per DOE O 226.1.
- Demonstrate continuous improvement safety culture to effect transformational changes to overall safety management programs, including human performance initiatives.
- Complete development of a predictive safety trending model that represents industry standards.
- Effectively implement corrective actions that result in sustainable process improvements resulting in a reduction of recurring events and issues.

Site Safety Management

- Support RL in the effective oversight of the Hanford sitewide Chronic Beryllium Disease Prevention Program and in the implementation and tracking of corrective actions to include:
  - Establish and execute independent sampling capabilities on behalf of DOE.
  - Assist beryllium-affected workers in interactions with site medical provider and workers compensation program.
  - Conduct industrial hygiene oversight pursuant to the DOE Integrated Evaluation Plan as agreed to by RL, ORP, and MSA.
- Lead, plan, and execute the FY11 Integrated Safety Management (ISM) national conference for DOE to include:
  - Execute logistics in a timely and cost-effective manner.
  - Integrate the Energy Facility Contractors Group ISM and DOE ISM champions, and site EM contractors into the event.